



# Committee On Finance

Max Baucus, Ranking Member

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## **BAUCUS CALLS TAX RECONCILIATION CHOICES UNWISE, CRITICIZES PLAN LEAVING VITAL TAX EXTENDERS UNDONE**

*Washington, DC* --- U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, released the following statement today upon the announcement of a Republican agreement on the tax reconciliation conference report. The conference report filed by Republican leaders and the Republican chairs of the two tax-writing committees would provide for a two-year extension of capital gains and dividends tax breaks not set to expire until January 1, 2009, one year of relief from the alternative minimum tax (AMT), and a few other provisions. Traditional tax "extenders" that have already expired, however, were left out of this reconciliation bill and must now be considered in separate legislation at a later date.

**"This tax reconciliation conference was all about choices, and the choices made in this deal do not serve the American people well. Negotiators could have chosen to renew important tax provisions like the R&D tax credit, the college tuition tax deduction, and the credit for teachers who spend their own money to improve our children's education. Instead, they chose to extend capital gains and dividends tax breaks that have not expired and won't expire for years to come.**

**"Hard-working Americans who depend on these already-expired tax provisions are being told not to worry, there is another bill coming down the pike to take care of them. But unfortunately for the businesses waiting for their expired research credits or welfare-hire credits, for the school teachers waiting on their expired deduction for classroom expenses, and for the parents depending on the tuition deduction to keep their kids in college, a different tax vehicle has a high likelihood of breaking down.**

**"I have said repeatedly since last fall that we needed to do first things first in this bill, but this deal mostly puts last things first. These are not wise choices or even fair choices for the American people. Failure to extend these important expired provisions will mean tax hikes this year for a lot of folks left out of this deal. I will oppose this conference report, and will continue my efforts to provide real, long-term AMT relief and the certainty citizens need on expired tax provisions."**

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